

Meeting Date: 4-3-07

AGENDA REPORT

Agenda Item # 5E

Santa Clara

City of Santa Clara, California



DATE: March 26, 2007

TO: City Manager/Executive Director for Council/Redevelopment Agency Action

FROM: Assistant City Manager

SUBJECT: Approval of Legal and Consulting Services to Assist in the 49er Stadium Feasibility Study

EXECUTIVE SUMMARY:

At their February 6, 2007 meeting the Agency authorized the appropriation of \$200,000 of Agency funds for specialized legal and consulting services to support City/Agency staff during the stadium feasibility analysis and return to the Council/Agency at the appropriate time for approval of the consulting contracts. In addition to City staff departmental expertise, the feasibility analysis team will require specialized expertise in the areas of redevelopment law, land use issues, complex financing options, and fiscal and economic analysis and knowledge, particularly pertaining to stadiums and professional sports franchises.

This evening staff is recommending approval of a contract with Goldfarb and Lipman for legal, redevelopment law and land use issues, and with Keyser Marston Associates, Inc. for fiscal and economic analysis, expertise in complex financing scenarios and the evaluation of economic impact reports pertaining to the stadium project. At the April 17, 2007 Council meeting staff will be bringing forward a contract for a consulting firm with specific expertise in NFL stadium financing and professional sports franchises. Staff is in the process of reviewing references from a short list of sports consulting firms.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Goldfarb Lipman and Keyser Marston have extensive experience in representing public agencies in evaluating and negotiating professional sports venues. Both firms are currently assisting the City of Fremont in ongoing discussion of an A's ballpark in their city. Goldfarb Lipman participated in the negotiation of the disposition and development agreement for the Staples Center in Los Angeles and the City of Stockton's minor league baseball stadium and indoor arena. Additionally, the firm is experienced with all aspects of redevelopment agency tax-exempt financing, land use and municipal finance, operations and transactions. Keyser Marston was involved in the feasibility study for AT&T ballpark in San Francisco and the Petco Park Ballpark District in San Diego. The firm has extensive experience in assisting cities in analyzing and identifying development opportunities for new uses that complement an existing mix of uses, such as the North Bayshore corporate campus/entertainment district area. Both of these firms are experienced in complex project negotiations and creative property disposition and development.

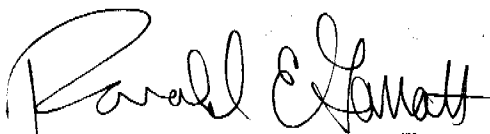
ECONOMIC/FISCAL IMPACT:

There is sufficient funding in the North Bayshore Redevelopment Area to provide these services (account 901-9011-87870). The Goldfarb Lipman contract is not to exceed \$68,000. The Keyser Marston contract is not to exceed \$75,000. It is difficult to know, at this point in time, whether this amount of funding is sufficient to complete the stadium feasibility study, as the 49ers have not yet presented the City/Agency with a fully formed proposal. Staff can better measure the effort required for the feasibility study after the 49er proposal is initially evaluated. Staff anticipates the 49ers will be presenting their proposal to the Council and community in a few weeks. The contracts have been left in Council Offices for review.

RECOMMENDATION:

It is recommended that the Council/Agency:

1. Approve a consulting contract with Goldfarb Lipman for legal, redevelopment law, land use, and negotiating expertise to assist staff in the 49er stadium feasibility study in an amount not to exceed \$68,000.00 (901-9011-87870).
2. Approve a consulting contract with Keyser Marston Associates, Inc. for fiscal and economic land use issues, economic benefits analysis and stadium financing options analysis to assist staff in the 49er stadium feasibility study in an amount not to exceed \$75,000.00 (901-9011-87870).



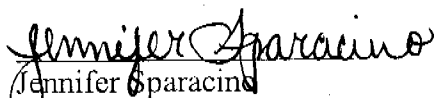
Ronald E. Garratt
Assistant City Manager

Certified as to Availability of Funds:

901-9011-87870	\$68,000.00
901-9011-87870	\$75,000.00

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APPROVED:



Jennifer Sparacino
City Manager/Executive Director for
Redevelopment Agency



Mary Ann Parrot
Director of Finance/
Redevelopment Agency Treasurer

Documents Related to this Report:

- 1) ***Legal Services Agreement Between the Agency and Goldfarb and Lipman***
- 2) ***Professional Services Agreement Between the Agency and Keyser Marston Associates, Inc.***